

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

PUBLIC DOCUMENT
OFFICIAL BUSINESS

This mailing was prepared, published and mailed at taxpayer expense.

The Sam Johnson Solution—Let's Share.

Voluntary Personal Retirement Accounts are an important part of comprehensive reform.

- They allow younger workers to create a nest egg that the government can't take away. These accounts allow younger workers to save a portion of their payroll taxes in an account they own and control.
- They could be passed on to loved ones.
 Assets built up could be passed on to children and other loved ones.
- They could only be safely invested. Funds could be invested only in a limited number of secure funds, including a fund designed to protect workers from sudden market changes.

America must honor its promise to those who have worked hard, played by the rules, and earned a right to a secure retirement that can not be taken away.

This debate is about the future.



Contact Information

District Office

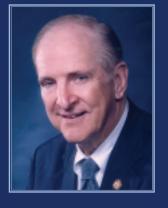
2929 N. Central Expressway Suite 240 Richardson, Texas 75080 (972)470-0892

Washington, DC 1211 Longworth HOB Washington, D.C. 20515 (202)225-4201



Social Security

Working to Strengthen Social Security for Generations to Come.



CONGRESSMAN

Sam Johnson

Serving the third district of texas

Congressman Sam Johnson Proposes Solution for Social Security

Dear Friend:

America must keep its promise to those who have worked hard, played by the rules, and earned the right to a secure retirement that cannot be taken away. However, Social Security, as it is currently set up, will not be able to keep this promise.

Social Security has to be fixed. It's not a matter of "I want it to be fixed" or "I think it should be fixed"—it has to be fixed.

The 12.4 percent of payroll tax you pay to Social Security in every paycheck is not set aside in a special account for you to reclaim when you retire. That tax money is used to pay for this year's retirees. Soon we will have to pay more to recipients than the government collects. This problem must be addressed.

My proposal says—let's share. You keep 6.2 percent to invest in a personal retirement account—and take advantage of the miracle of compound interest. You'll have a sizeable retirement fund and a real asset to pass on to your loved ones. The government takes 6.2 percent to meet its obligations to those over 55 and to the disabled, widows and orphans. You also get back the amount you've already paid in.

My plan is fair and it will work. More important, it gives you control over your money. To learn more about my plan to strengthen Social Security, visit my website at www.samjohnson.house.gov.

Sincerely,

Som Johnson

Social Security FAST FACTS

Number of workers for every retiree in 1950

16

Number of workers for every retiree today

3.3

Number of workers for each beneficiary when today's 20-year-olds retire

2

Year Baby Boomers begin retiring

2008

Year Social Security goes into the red
2017

Year Social Security trust fund will be exhausted 2041

Did you know there is <u>not</u> an account waiting for you to claim when you retire?

Clip & Save

Key Points on Social Security

Did you know there is <u>NOT</u> an account waiting for you to claim when you retire?

 The Supreme Court has ruled you do not have personal property rights to your Social Security benefits.

Social Security faces real problems that must be addressed today.

- The Number of workers per retiree has declined significantly. The number of American workers per retiree has dropped from 42 in 1945 to just 3.3 today, and will decline to only 2 in the future.
- Americans are living longer. Increasing life expectancies mean Social Security pays each beneficiary for a greater number of years than ever before.
- Social Security hits the red in 2017. If no changes are made to the current system, Social Security will start paying out more in benefits than it receives in payroll taxes.

There is not enough money going into the current system to sustain it for our children and grandchildren. The question isn't whether or not there is a problem. The question is—what are we going to do about it?

Source: 2005 Annual Trustees Report